

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY, MAY 12, 2009**, upon the application of **JAG OPERATING, LLC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Cotton Valley Formation, Reservoir A**, in the West Arcadia Field, Bienville Parish, Louisiana.

1. To establish rules and regulations and to create four (4) drilling and production units for the production of gas and condensate from the Cotton Valley Formation, Reservoir A.
2. To force pool and integrate all separately owned tracts, mineral leases and other property within the proposed units in accordance with Section 10, Title 30 of the Louisiana Revised Statutes of 1950, with each tract to share in the unit production on a surface acreage basis of participation.
3. To designate a unit operator and unit well where applicable.
4. To require that future wells drilled to the Cotton Valley Formation, Reservoir A, should be located at least 660 feet from unit lines and 1,320 feet between wells.
5. To permit the reclassification of the reservoir if the producing characteristic should change without the necessity of a public hearing provided sufficient data is presented to and accepted by the Commissioner of Conservation to warrant a change.
6. To extend all applicable Statewide Orders to the Cotton Valley Formation, Reservoir A, units being proposed herein, except as they may be in conflict herewith.
7. To consider such other matters as may be pertinent.

The Cotton Valley Formation, Reservoir A is to be defined as that gas and condensate producing interval encountered between the depths of 9,107' and 13,300' (electric log measurements) in the KCS Resources, Inc. (Formerly Union Texas Petroleum Corporation)-Dowling 19 No. 1 Well, located in Section 19, Township 19 North, Range 4 West.

A plat is available for inspection in the Office of Conservation in **Baton Rouge and Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

Baton Rouge, LA

4/6/09;4/9/09

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.